

MINUTES
JOINT FINANCE-APPROPRIATIONS COMMITTEE

DATE: Monday, February 22, 2021

TIME: 8:00 A.M.

PLACE: Room C310

MEMBERS PRESENT: Senators Co-chairman Van Orden (Bair), Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye
Representatives Co-chairman Youngblood, Troy, Horman, Amador, Syme, Bundy, Giddings, Nate, Green, Nash

ABSENT/EXCUSED: None

CONVENED: **Chairman Youngblood** called the Joint Finance-Appropriations Committee (JFAC) to order at 8:00 a.m.

AGENCY PRESENTATION: **DEPARTMENT OF FINANCE. Keith Bybee, LSO, Deputy Division Manager.**

LSO STAFF PRESENTATION: **Mr. Bybee** introduced the budget for the Department of Finance. The Department of Finance is a regulatory agency charged with the supervision and oversight of state-chartered financial institutions, regulated vendors, security issuers, poker dealers, stock-brokers, residential mortgage brokers and lenders, investment advisers, sales personnel, collection agencies, etc. This year, the department did not request any line items. The Governor recommended a budget of \$9,093,500.

DISCUSSION: **Sen. Grow** disclosed a potential 39H, conflict of interest. **Chairman Youngblood** noted and declared a rule 80 for himself.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Nye**, for the Department of Finance, beginning with the FY 2022 base, to include \$21,400 for benefit costs, \$45,600 for replacement items, \$3,700 for statewide cost allocations, and \$122,700 for Change in Employee Compensation. There are no line items to include with this budget. Therefore, to move 66 FTP and \$9,093,500 for FY 2022.

CARRIED: **AYES: 20.**
Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.
NAYS: 0.
ABSENT/EXCUSED: 0.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Rep. Troy**, granted by unanimous consent, the following language was added:

SECTION 3. CONTINUOUS APPROPRIATION AUTHORITY. The Department of Finance is hereby granted continuous appropriation authority for reimbursement of persons to whom the Idaho courts have made a final determination of actual damages resulting from acts constituting violations of the Idaho Residential Mortgage Practices Act by a mortgage broker, mortgage lender, or mortgage loan originator who was licensed or required to be licensed pursuant to Chapter 31, Title 26, Idaho Code.

SECTION 4. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Department of Finance any unexpended and unencumbered balances appropriated or re appropriated to the Department of Finance from the State Regulatory Fund for construction and building expenses for fiscal year 2021, in an amount not to exceed \$1,800,000, to be used for nonrecurring expenditures related to building and construction costs for the period July 1, 2021, through June 30, 2022. The Office of the State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**AGENCY
PRESENTATION:**

DEPARTMENT OF INSURANCE. Keith Bybee, LSO, Deputy Division Manager.

Mr. Bybee introduced the budget for the Department of Insurance. The mission of the Department of Insurance is to serve and protect Idahoans equitably, effectively, and efficiently by administering the insurance code in the international fire code. The department has two budgeted programs, the insurance regulation division and the State Fire Marshal. This year the department did not request any line items and the Governor's recommendation was for 71.5 FTP and a budget of \$10,067,700.

DISCUSSION:

Sen. Grow disclosed a 39H, conflict of interest. **Rep. Troy** applied for rule 80 on the House side.

MOTION:

Original Motion: Moved by **Sen. Agenbroad**, seconded by **Rep. Troy**, for the Department of Insurance beginning with the Fiscal Year 2022 base, include \$19,100 for Benefit Costs, \$177,900 for Replacement Items, \$1,600 for statewide cost allocation, and \$99,300 for Change in Employee Compensation. There are no line items included with this budget. Therefore, is moved for FY 2021 71.50 FTP, \$9,373,300 from dedicated funds, and \$694,400 from the federal funds for a grand total of \$10,067,700.

CARRIED:

AYES: 20.

Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

NAYS: 0.

ABSENT/EXCUSED: 0.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood.**

**AGENCY
PRESENTATION:**

**WORKFORCE DEVELOPMENT COUNCIL. Keith Bybee, LSO, Deputy
Division Manager.**

Mr. Bybee introduced the budget for the Workforce Development Council. The Workforce Development Council had one line item request for the youth apprenticeship readiness grants. The Workforce Development Council requested 1 FTP and \$750,500 from federal funds. The Workforce Development Council began to administer a youth apprenticeship readiness July 1, 2020. The council was awarded \$2.5 million almost to be used over a four-year period. The Governor did recommend this line item, although at a smaller amount, only for the benefit and cost changes in the statewide JFAC action we just took, and they have requested carryover authority.

MOTION:

Original Motion: Moved by **Sen. Lent**, seconded by **Rep. Syme**, for the Workforce Development Council beginning with the FY 2022 base, include \$1,300 for benefit costs. \$400 for statewide cost allocation, and \$8,600 for change in employee compensation. Also included is one line item which provides 1.00 FTP and \$749,000 for Youth Apprenticeship Readiness Grants. For the FY 2022, is moved 6 FTP, \$8,440,000 from dedicated funds, and \$897,800 from federal funds for a grand total of \$9,337,800.

CARRIED:

AYES: 18.

Rep. Youngblood, Troy, Horman, Amador, Syme, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Cook, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 0.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood.**

**UNANIMOUS
CONSENT:**

Requested by **Sen. Lent**, granted by unanimous consent, the following language was added:

SECTION 3. REAPPROPRIATION AUTHORITY. There is hereby re appropriated to the Workforce Development Council any unexpended and unencumbered balances appropriated or re appropriated to the Workforce Development Council from the Workforce Development Training Fund for grants for fiscal year 2021, in an amount not to exceed \$4,315,500, to be used for nonrecurring expenditures related to grants for the period July 1, 2021, through June 30, 2022. The Office of the State Controller shall confirm the reappropriation amount, by fund, expense class, and program, with the Legislative Services Office prior to processing the reappropriation authorized herein.

**AGENCY
PRESENTATION:**

OFFICE OF SPECIES CONSERVATION. Rob Sepich, LSO, Senior Analyst.

Mr. Sepich introduced the budget for the Office of the Species Conservation. The mission for the office as established the section 578018 Idaho Code is developed to coordinate an integrated state policy and management plan between and in coordination with the various state offices and federal agencies under the endangered species act. The majority of the budget comes from trustee and benefit payments, which are found through various federal grants. The office has been spending \$12 million in these grants in Fiscal Year 2022. The prepared motion includes a reduction of \$500,000 from the Federal Trustee and Benefit Payments.

MOTION:

Original Motion: Moved by **Rep. Amador**, seconded by **Sen. Agenbroad**, for the Office of Species Conservation beginning with the Fiscal Year 2022 base an increase of \$4,600 for benefit costs and an increase of \$6,700 for statewide cost allocation, and an increase of \$26,000 for Change in Employee Compensation. Also, included are the following line items:

- line-item one, which provides \$75,000, one-time for the sage grouse study
- and line item 2 for a \$500,000 reduction in the Federal Trustee and Benefit Payments.

The totals for this motion for Fiscal Year 2022 are 15 FTP, \$1,629,000 from the General Fund, \$15,000 from the dedicated funds, and \$13,016,700 for a total of \$14,660,700.

CARRIED:

AYES: 17.

Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 1.

Cook.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

AGENCY PRESENTATION: **SOIL AND WATER CONSERVATION COMMITTEE. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Soil and Water Conservation Commission. The mission, according to section 22-2718 Idaho Code is to facilitate, coordinated non-regulatory voluntary and local led conservation by federal, state, and local governments, including Idaho's conservation districts and other partners in order to conserve, sustain, and improve and enhance soil, water, air, plant, and animal resources.

The Governor had recommended one original line-item which was to remove one FTP and transfer the \$54,000 associated with the personnel costs into trustee and benefit payments. Instead of removing the 1 FTP, the motion would have some additional money added to the \$40,000 from the General Fund and ongoing. Also, there is an addition of \$200,000 from the General Fund for trustee and benefit payments that are distributed to each of those soil and water districts.

MOTION: Original Motion: Moved by **Rep. Troy**, seconded by **Sen. Crabtree**, for the Soil and Water Conservation Commission with the FY 22 base, for an increase of \$5,700 for benefit costs, an increase of \$20,700 for statewide cost allocation, an increase of \$25,700 for Change in Employee Compensation. Are also included two line-items: line item 1 provides \$40,000 from the General Fund to convert a vacant position to a program manager for the conservation reserve enhancement program, and line item 2 provides an additional \$200,000 from the General Fund to be distributed evenly to the 50 local soil and water conservation districts. The totals for this motion for FY 2022 are 17.75 FTP, \$2,967,200 from the General Fund, \$402,600 from dedicated funds, for a total of \$3,369,800.

DISCUSSION: **Sen. Van Orden** declared a rule S39.

CARRIED: **AYES: 17.**
Rep. Youngblood, Troy, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.
NAYS: 2.
Nate, Giddings.
ABSENT/EXCUSED: 1.
Cook.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

UNANIMOUS CONSENT: Requested by **Rep. Troy**, granted by unanimous consent, the following language was added:
TRUSTEE AND BENEFIT PAYMENTS DISTRIBUTION. Of the amount appropriated in Section 1 of this act for trustee and benefit payments, \$300,000 shall be distributed equally between the fifty (50) soil and water conservation districts in addition to the amounts authorized under Section 22-2727, Idaho Code.

AGENCY PRESENTATION: **OFFICE OF ENERGY AND MINERAL RESOURCES. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Office of Energy and Mineral Resources resources. The agency mission is to be the clearinghouse and first point of contact for energy and mineral information with policy inquiries and providing information regarding issues and to coordinate the energy and mineral resources efforts. There are no line items requested for the Fiscal Year 2022 budget.

MOTION: Original Motion: Moved by **Rep. Nash**, seconded by **Sen. Lent**, for the Office of Energy and Mineral Resources beginning with the FY 2022 base an increase of \$1,900 for benefit costs, an increase of \$5,200 for replacement items, an increase of \$1,900 for statewide cost allocation, an increase of \$18,400 for Change in Employee Compensation. The totals for this motion for FY 2022 are 8 FTP, \$1,005,100 from dedicated funds, and \$530,600 from federal funds, for a grand total of \$1,535,700.

DISCUSSION: **Sen. Van Orden** declared a rule S39.

CARRIED: **AYES: 16.**

Rep. Youngblood, Horman, Amador, Syme, Bundy, Green, Nash, Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs, Ward-Engelking, Nye.

NAYS: 2.

Nate, Giddings.

ABSENT/EXCUSED: 2.

Sen. Cook, Rep. Troy.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

AGENCY PRESENTATION: **PUBLIC UTILITIES COMMISSION. Rob Sepich, LSO, Senior Analyst.**

Mr. Sepich introduced the budget for the Public Utilities Commission. The mission of the division is to oversee the interstate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines, and railroads. The budget includes some language to adjust the commissioner's salaries and statute that would commiserate with the 2% CEC recommended by the Governor.

MOTION: Original Motion: Moved by **Sen. Woodward**, seconded by **Rep. Horman**, for the Public Utilities Commission beginning with the Fiscal Year 2022 base an increase of \$14,700 for Benefit Costs, an increase of \$49,000 for Replacement Items, increase of \$95,400 for Statewide Cost Allocation, and increase of \$72,900 for Change in Employee Compensation. Also included the following line-items: \$8,200 for the Commissioner CEC, and a decrease of \$40,000 for operating expenses for Chinden campus. The totals for the motion for FY2021 are 49 FTP, \$ 6,367,800 from dedicated funds, \$341,800 from federal funds, for a grand total of \$6,709,600.

CARRIED:

AYES: 18

Rep. Youngblood, Horman, Amador, Syme, Nate, Giddings, Bundy, Green, Nash.
Sen. Van Orden, Agenbroad, Crabtree, Grow, Woodward, Lent, Riggs,
Ward-Engelking, Nye.

NAYS: 0.

ABSENT/EXCUSED: 2.

Rep. Troy, Sen. Cook.

The majority, having voted in the affirmative, the motion passed, and without objection, carried a **DO PASS** recommendation. Hearing no objection, it was so ordered by **Chairman Youngblood**.

**UNANIMOUS
CONSENT:**

Requested by **Sen. Woodward**, granted by unanimous consent, the following language was included to amend Section 61-215, Idaho Code, to provide a 2% change in employee compensation for the Public Utilities Commissioners in the Public Utilities Commission's FY2022 appropriation bill:

Section 61-215, Idaho Code, be, and the same is hereby amended to read as follows:

61-215. SALARIES OF PUBLIC UTILITIES COMMISSIONERS. Each member of the public utilities commission shall devote full time to the performance of his/her duties. Commencing on July 1, 2021, the annual salary of members of the public utilities commission shall be one hundred fourteen thousand two hundred five hundred twenty dollars (114,520) and shall be paid from sources set by the legislature.

ADJOURN:

There being no further business to come before the Committee, **Chairman Youngblood** adjourned the Committee at 8:50 a.m.

Representative Youngblood
Chair

Anna Maria Mancini
Secretary